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IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CONNIE ONELY,
Plaintiff

v.

REDNER'S MARKETS, INC.
Defendant

: CIVIL ACTION

:

:

: No. 21-cv-4785

:

:

: Assigned to: Wendy Beetlestone, J.

EXHIBIT "E"



AN EMPLOYEE OWNED
COMPANY

**EMPLOYEE
INFORMATION AND HANDBOOK**

11/2017

KS - 0001
KS - MSJ 0001104

THIS EMPLOYEE HANDBOOK IS AVAILABLE ONLINE
AT: <http://hrinfo.rednersmarkets.com>

ALL EMPLOYEES MUST READ THE EMPLOYEE HANDBOOK

EMPLOYEES WITHOUT INTERNET ACCESS CAN
REQUEST A PAPER VERSION OF THIS HANDBOOK
BY CONTACTING YOUR SUPERVISOR OR THE
HUMAN RESOURCE DEPARTMENT

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INTRODUCTION

PURPOSE OF THE HANDBOOK

This handbook should be used by you to get to know Redner's Warehouse Markets ("Redner's" or "Company") and to help you get the most out of your relationship with us.

The purpose of this handbook is to provide an overview of policies, procedures, and benefits that guide Redner's relationship with its employees. This handbook cannot anticipate every situation or answer every question about policy or employment. It is designed solely as guides to help employees better understand their role at the Company. It is for general information only and does not replace more detailed policy and procedure manuals.

Much of this handbook is devoted to explaining pay, benefits, advancement opportunity, holidays, vacations, and other conditions at Redner's. Please refer to this handbook to obtain general information, but also feel free to ask questions you may have. It is management's intent to make all of Redner's employees well informed in matters concerning their work and their Company. We feel this handbook helps to accomplish this objective.

Sincerely,

RICHARD E. REDNER
Chairman of the Board

RYAN S. REDNER
President &
Chief Executive Officer

GARY M. REDNER
Executive Vice President
Procurement

MICHAEL MCNANEY
Vice President
Finance

JASON B. HOPP, Esq.
Vice President &
General Counsel

ROBERT MCDONOUGH
Vice President
Human Resources

NICHOLAS J. HIDALGO
Vice President
Information Technology

DOUGLAS W. EMORE
Vice President
Maintenance, Construction & Real Estate

Redner's Warehouse Markets An Equal Opportunity Employer. The Friendly Food People

**Welcome To
REDNER'S WAREHOUSE MARKETS**

It is a pleasure to welcome new employees and to extend the best wishes for continued success to those whose careers have become a part of the growth and progress of Redner's. Whether you have been with us for a short time or for many years, we want you to know how much we appreciate the contribution you are making to the continued successful operation of our Company.

We take pride in our accomplishments to date and recognize that each employee is a contributor to our success. We want each employee to know that they are an important part of our continued growth. We all share the responsibility for continuing the success of Redner's.

This handbook has been prepared to inform new employees about Redner's and its current policies and benefits and to update current employees regarding important employment matters and changes in policies and benefits. Please read it carefully and keep it for future reference. If you should have any questions concerning the policies and benefits outlined in this handbook, please feel free to discuss it with your department manager or store director.

As a successful company in a competitive marketplace, we must continually review policies, procedures and benefits. We reserve the right to change any policies, procedures, benefits, and terms of employment without notice, consultation, or publication, except as may be required by law. This handbook is intended to be a general source of information and is not a contract. This handbook has been drafted for compliance with federal law. Some state laws provide rights in addition to those provided by federal law. For information on rights provided by your state's laws, please check with your store director or human resources. Redner's reserves the right to modify or change any portion of the handbook at any time.

We are sincerely proud to have you as an employee.

Richard Redner
President & Chief Executive Officer

HISTORY OF REDNER'S

In 1940, at the age of sixteen, Earl Redner started his career in the food business with the Grand Union Tea Company in Middletown, New York. His first job was potato bagger and stoker of the furnace. He spent the next twenty-nine years working for this company until March 1970 when he left and started his own business with the purchase of two small supermarkets near Reading, Pennsylvania.

Earl held the various positions of full-time clerk, assistant store director, district sales manager, division grocery sales manager, and superintendent of stores in Washington, DC while working for Grand Union. He still holds the record of being the youngest store director, district store director, and store superintendent for that company.

In 1968, Earl started his quest for a new challenge. His wife, Mary, played a major role in his decision because of her faith in his ability and her contribution of the financial resources to start the business. Mary has a Master's Degree in Education and taught school all the years of their marriage, except when their children were very young. Her savings account, with Earl's Grand Union stock and pension money, was used for the acquisition of two supermarkets.

Earl and Mary have three children: Chere, Richard and Gary. Richard remains as President & CEO.

When the first stores were purchased, there was no intention of adding more, but after enjoying success from the very start, the decision was made to expand the company for two reasons. After Richard and Gary decided to make the food business their career, it was obvious that expansion was necessary to support three families and to create potential for personal growth. The Redners are also employee oriented and wanted to provide more career opportunity for their employees.

Redner's Markets, Inc. started out as IGA Food Stores until January 1, 1979, when the name "Redner's Markets" was established. The decision to change from IGA was actually made three years prior, but the transition was gradual to prevent confusion with our customers. This decision was made because there are many restrictions under franchise agreements and, in many cases, policy decisions are made which are not necessarily in the best interest of the individual store operators. We were also able to eliminate many franchise charges, making it possible to be more competitive.

In 1975, the Redner Development Company was formed as a limited partnership with Earl, Richard and Gary as partners. With the information of the partnership, several reasonably priced pieces of real estate were purchased, making it possible to lease buildings at reasonable rentals to Redner's Markets. One of these buildings is our office with a warehouse to store merchandise distributed to our supermarkets.

The Company has experienced steady growth, and sales have continued to increase tremendously from what they were at the beginning of the first year. Earl believes that the greatest asset of an independent operator is flexibility. Our Company has taken great advantage of this fact and has moved quickly as changes have occurred in our industry. For example, the Company now operates pharmacies, self-service gas stations, delicatessens, convenience stores, sandwich shops, and bakeries. In March of 1987, the Company decided to take a bold step and change its retailing philosophy. This resulted in our first warehouse market. The idea is simple; get rid of the gimmicks and games, use discipline in buying and controlling costs, and put these savings into the lowest retail price possible while still offering the quality, variety and service for which Redner's has always been known. The results were outstanding and by November of 1987 all supermarkets had been converted to our warehouse concept. Our convenience store division also is flourishing. We continue to explore new sites and expand both our supermarket and convenience store divisions. As future changes occur in the supermarket industry, Redner's will change direction accordingly.

Our Employee Stock Ownership Plan ("ESOP") was formed in 1975 with the intent to give 49% of the Company stock ownership to the employees. The Company's objective is for future continuity. We want to avoid the necessity at a later date of being forced to sell the Company because of lack of management or the inability to pay estate taxes. Richard is President, Chief Executive Officer and Chairman of the Board. The late Gary W. Redner served as Executive Vice President of Procurement & Director of Wholesale Operations, until his untimely death in March of 2008.



EARL REDNER
Founder



MARY REDNER
Founder
Aug. 6, 1917 – July 14, 2007



"In Loving Memory of"
GARY W. REDNER
1952-2008
You Will Not Be Forgotten

EXECUTIVE COMMITTEE BOARD OF DIRECTORS



RICHARD E. REDNER
Chairman of the Board



RYAN S. REDNER
President & Chief Executive Officer



GARY M. REDNER
*Executive Vice President
Procurement*



MICHAEL MCNANEY
*Vice President
Finance*



JASON B. HOPP, Esq.
*Vice President &
General Counsel*



ROBERT McDONOUGH
*Vice President
Human Resources*



Nicholas J. Hidalgo
*Vice President
Information Technology*



DOUGLAS W. EMORE
*Vice President
Maintenance, Construction & Real Estate*

EMPLOYEE AND CUSTOMER PHILOSOPHY

The philosophy of Redner's is simple: Be prepared to work hard, continue to learn and expand yourself, and be honest with the customer, your fellow employees, the Company, and yourself. Each employee has an opportunity to contribute to the progress of Redner's. Our image is simple, consisting of the following:

- Maintain clean stores
- Fresh, quality merchandise
- Fast, friendly and courteous customer service
- Low prices
- Community involvement

If this philosophy is adopted by everyone and applied to our daily tasks, the history of Redner's will be long and distinguished.

COURTESY AND SERVICE

The first rule of a retail business is that all employees keep a friendly, courteous, and service-oriented attitude. The Company is made of more than brick and mortar because people give the structure of a store only a passing glance. The lifeblood of any store and the way the customer evaluates a store is by the WAY AND THE MANNER that employees treat them. Redner's employees are asked to provide exceptional service to our customers.

ANYTIME AN EMPLOYEE COMES IN CONTACT WITH A CUSTOMER, SHOW THEM A NICE, WARM, SINCERE SMILE. IF YOU ARE WITHIN NORMAL SPEAKING DISTANCE, GREET THEM WITH THE TIME OF DAY - "GOOD MORNING," "GOOD AFTERNOON," OR "GOOD EVENING."

YOUR CUSTOMERS ARE YOUR JOB...BE FRIENDLY, COURTEOUS AND HELPFUL...REMEMBER, THESE CUSTOMERS PAY YOUR WAGES. Remember that your contact with customers, you - for the moment - represent the Company as far as they are concerned. Our reputation with them is at stake...IN YOUR HANDS. Your actions and attitude toward them bring them back again and again or it can quickly turn them against us. If, just once, we fail to serve them well, they may leave us and never return. You have everything to gain by being courteous and showing the customer where an item is rather than just telling them or pointing to the general area. The customer is "always right" as to receiving bad merchandise or not receiving merchandise through our error. All employees should be courteous and apologize for any inconvenience we might have caused. Please do not defeat our policy: "WHERE SHOPPING IS A PLEASURE."

STATEMENT ON UNIONS

Redner's believes it is essential to provide a safe and satisfying work environment to you, to listen to what you have to say and accord you the respect you deserve. Redner's believes that its present employment policies will create the most effective, efficient, and profitable method of operations. The efficiency and profitability resulting from these policies will provide the maximum opportunity for job satisfaction and personal accomplishment. Each employee is treated as an individual and a full participant in Redner's.

Redner's strongly endorses the philosophy that individual consideration in employee-supervisor relationships provides the best climate for the maximum development of the individual and the attainment of the goals of both the individual employee and Redner's. Redner's employees do not belong to a union. This union-free status is decided by the choice of our employees, under rights guaranteed to them by federal law. We acknowledge the right of our employees to be represented by a union if they wish.

However, Redner's does not believe that union representation of our employees would be in the best interests of either Redner's or its employees. Unions involve costs (such as union dues), which our employees do not presently have, and unions impose legally enforceable obligations on union members. For all of these costs, a union would not improve Redner's ability to succeed and to provide valuable employment opportunities in today's competitive marketplace.

Please remember you, our employees, are our greatest assets. We place the highest value on you and appreciate the trust that you have shown in us. We will always strive to live up to our commitments to you and honor your faith and trust.

PURPOSE OF THE HANDBOOK

This Handbook is designed to acquaint you with our Company and to give you a ready reference to answer many of your questions regarding your employment with us. Of course, please remember that business conditions change, and this Handbook is only a summary of the employee benefits, personnel policies, and employment rules that are in effect at the time we published the Handbook.

This Handbook does not create an "employment contract" or other contractual rights. Although the Company intends that the benefits, policies and regulations outlined in this Handbook will generally remain in effect, the Company reserves the right at any time to amend, curtail or to otherwise revise the benefits, policies or regulations outlined in this Handbook.

This Handbook applies to all employees. However, where it conflicts with any contract, such as insurance summary plan descriptions, that contract shall control.

This Handbook supersedes all prior inconsistent handbooks or policies and may be changed from time-to-time as necessary.

EMPLOYMENT

EMPLOYMENT RELATIONSHIP

This handbook is not an express or implied contract of employment. It is not to be considered as a guarantee of continued employment. Redner's and the employee have an at-will employment relationship. The employee has the right to terminate his/her employment at any time and Redner's has a similar right. This handbook does not make any promise of employment for any specified period of time, nor does any representative of Redner's have authority to enter into an agreement for employment for any specified period of time.

EQUAL OPPORTUNITY EMPLOYMENT

We believe that the best working environment is one where everyone is treated equally with fairness and respect. We are an Equal Employment Opportunity employer committed to providing equal opportunity in all of our employment practices, including selection, hiring, assignment, re-assignment, promotion, transfer, compensation, discipline, and termination. The Company prohibits discrimination, harassment, and retaliation in employment based on race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; service member status; or any other category protected by federal, state, or local law. Violation of this policy will result in disciplinary action, up to and including immediate termination.

NO HARASSMENT

We do not tolerate the harassment of applicants, employees, customers, or vendors. Any form of harassment relating to an individual's race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; service member status; or any other category protected by federal, state, or local law is a violation of this policy and will be treated as a disciplinary matter.

Violation of this policy will result in disciplinary action, up to and including immediate termination.

If you have any questions about what constitutes harassing behavior or what conduct is prohibited by this policy, please discuss the questions with your immediate supervisor or one of the contacts listed in this policy. At a minimum, the term "harassment" as used in this policy includes:

- Offensive remarks, comments, jokes, slurs, or verbal conduct pertaining to an individual's race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; service member status; or any other category protected by federal, state, or local law.
- Offensive pictures, drawings, photographs, figurines, or other graphic images, conduct, or communications, including e-mail, faxes, and copies pertaining to an individual's race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability or handicap; citizenship status; service member status; or any other category protected by federal, state, or local law.
- Offensive sexual remarks, sexual advances, or requests for sexual favors regardless of the gender of the individuals involved.
- Offensive physical conduct, including touching and gestures, regardless of the gender of the individuals involved.

We also absolutely prohibit retaliation, which includes: threatening an individual or taking any adverse action against an individual for (1) reporting a possible violation of this policy, or (2) participating in an investigation conducted under this policy.

Our supervisors and managers are covered by this policy and are prohibited from engaging in any form of harassing, discriminatory, or retaliatory conduct. No supervisor or other member of management has the authority to suggest to any applicant or employee that employment or advancement will be affected by the individual entering into (or refusing to enter into) a personal relationship with the supervisor or manager, or for tolerating (or refusing to tolerate) conduct or communication that might violate this policy. Such conduct is a direct violation of this policy.

Even non-employees are covered by this policy. We prohibit harassment, discrimination, or retaliation of our employees in connection with their work by non-employees. Immediately report any harassing or discriminating behavior by non-employees, including contractor or subcontractor employees. Any employee who experiences or observes harassment, discrimination, or retaliation should report it using the steps listed below.

If you have any concern that our No Harassment policy may have been violated by anyone, you

must immediately report the matter. Due to the very serious nature of harassment, discrimination and retaliation, you must report your concerns to one of the individuals listed below: Robert McDonough, Vice President of Human Resources ; Alexis Foreman, Human Resources Manager ; Randy Kostelac, Human Resources Manager or Any District Manager

1. First, discuss any concern with your immediate supervisor.
2. If you are not satisfied after you speak with your immediate supervisor, or if you feel that you cannot speak to your immediate supervisor, discuss your concern with your Store Director.
3. If you are not satisfied after you speak with your Store Director, or if you feel you cannot speak to your Store Director, speak to your District Manager.
4. If at any time, you feel the need to speak to other members of management, you may contact the Vice President of Human Resources.

You should report any actions that you believe may violate our policy no matter how slight the actions may seem.

We expect employees to be honest and make such complaints in good faith.

We will investigate the report and then take prompt, appropriate remedial action. The Company will protect the confidentiality of employees reporting suspected violations of this or any other Company policy to the extent possible consistent with our investigation.

You will not be penalized or retaliated against for reporting improper conduct, harassment, discrimination, retaliation, or other actions that you believe may violate this policy.

We are serious about enforcing our policy against harassment. Persons who violate this or any other Company policy are subject to discipline, up to and including immediate termination. We cannot resolve a potential policy violation unless we know about it. You are responsible for reporting possible policy violations to us so that we can take appropriate actions to address your concerns.

COMMUNICATION POLICY

Redner's invites open communication between employees and management throughout the organization. We encourage you to bring your questions, suggestions and complaints to our attention. Careful consideration will be given to each of these in our continuing effort to improve operations.

Your suggestions and comments on any subject are important to us – we encourage you to take every opportunity to discuss them with us. If you prefer, there are several confidential methods of communicating your concerns or suggestions, including the "Grapevine" (accessible by a toll-free number posted in your store), e-mail, and letters to the President. All confidential communication will be investigated promptly and thoroughly.

FAIR TREATMENT POLICY

Employees, please note: Due to the serious nature of harassment, discrimination, and retaliation, you must voice your concerns or complaints about such behavior to the individuals listed in the No Harassment Policy in this Handbook.

Our Fair Treatment Policy provides that every employee, regardless of position, be treated with respect, dignity and in a fair and just manner at all times. In keeping with this policy, all persons will be considered for employment, promotion or training on the basis of qualifications and experience. We want to ensure that you work in an environment free from discrimination and harassment. We can achieve this by your prompt use of the Fair Treatment Policy.

We recognize, that being human, mistakes may be made in spite of our best efforts. We want to correct such mistakes as soon as they happen. The only way we can do this is to know your problems and complaints. NO MEMBER OF MANAGEMENT IS TOO BUSY TO HEAR PROBLEMS OR CONCERNS FROM ANY EMPLOYEE. If you have a problem or concern, this is what you should do:

1. Tell your department manager. During this discussion, feel free to lay your cards on the table. Your department manager will listen in a friendly, courteous manner because it is our desire to understand and aid in solving problems which arise in your work. Generally, you and your department manager will be able to solve your problems.
2. If you do not get your problems corrected with your department manager, see your store director, who will investigate the matter and try to settle your problem in a fair and equitable manner. If you are still not satisfied, you may refer the entire matter to your department district's supervisor.
3. If, for any reason, after you have completed the above procedure we have not properly resolved the problem, you may refer the entire matter to the Human Resources Department.

NOTE: It is the policy of Redner's that all employee concerns and complaints shall be given full consideration. We will not tolerate discrimination or retaliation against any employee because they, in good faith, present a concern or problem. We are sure that the above procedure will resolve any problems that you may have.

APPLICATION FOR EMPLOYMENT

All candidates for employment must fully complete, date and sign the standard Company employment application form. The form should be completed in detail and signed by the applicant to verify the accuracy and completeness of previous employment, personal information, as well as all other requested information. We may investigate any portion of the information you supply and may deny employment or terminate anyone giving false or incomplete information. Such information may include requesting information from the candidate's previous employers relative to his or her work record in connection with his or her application for employment.

VERIFICATION OF EMPLOYMENT ELIGIBILITY

The Federal Immigration Reform and Control Act of 1986 require employers to verify the legal working status of all employees hired on or after November 7, 1986. The Act makes it unlawful to hire anyone who is not either a citizen or an alien who has the legal right to be employed in the United States. All employees will be required to complete Form I-9 and provide current documentation from time to time, as required by federal law.

PERFORMANCE REVIEWS

Each hourly employee will receive a performance review approximately 60 days after their date of hire and annually thereafter. Salaried employees are reviewed on an annual basis. The purpose of the review is to provide every employee with feedback about his or her job performance. The performance

review enables the employee and his or her supervisor to discuss issues such as the employee's progress and future goals.

If at any time you want to know how you are doing or what you can do to improve your performance, please ask your supervisor who will always try to help you in every way possible.

SUMMARY OF DRUG AND ALCOHOL POLICY

PURPOSE AND COVERAGE

Redner's Markets, Inc. values its employees and customers and recognizes the need for a safe, productive and healthy work environment. Employees who abuse drugs and/or alcohol are less productive, less dependable, and are a critical threat to the safety, security and welfare of Redner's Markets, Inc., its employees, customers, vendors, those who do business with Redner's Markets, Inc., as well as the general public. The establishment of a Drug-Free Workplace Policy (Policy) is consistent with Redner's Markets, Inc.'s desire to provide a safe, productive work environment for our employees.

Accordingly, it is the policy of Redner's Markets, Inc. to maintain a workplace free from the use and abuse of drugs and alcohol. Redner's Markets, Inc. will require that all employees and applicants participate in, consent and comply with the terms of this Policy as a condition of employment and continued employment. If questions arise regarding this Policy, please direct them to Robert McDonough, Redner's Markets, Inc.'s Drug Program Coordinator (DPC).

As a condition of initial and continued employment, the Company prohibits employees from reporting to work or performing their duties with any unlawful drugs or alcohol in their systems. Employees also are prohibited from using, possessing, manufacturing, distributing, or making arrangements to distribute unlawful drugs or alcohol while at work, off site at training or meetings, on Company or customer property (including in personal vehicles onsite), during lunch or breaks, or in Company vehicles. Further, the Company prohibits all unlawful drug use, possession, or distribution, whether on or off duty — drugs can stay in one's system and affect work later.

To enforce this policy, the Company may, at any time where lawful, require as a condition of employment, any employee to submit to a physical examination and/or urine, breath, blood or other type of test to determine the presence of drugs or alcohol in his or her system. The possible occasions for drug testing include, but are not limited to:

1. Pre-employment and re-employment;
2. When the Company has a reasonable suspicion that an employee has violated the Drug & Alcohol Policy;
3. When an employee seeks a transfer or promotion, or returns from a suspension or a leave of absence; or
4. As part of any random program of testing which the Company may implement.

The Company may conduct drug and alcohol testing when the Company has reasonable suspicion that the employee has violated the drug or alcohol policy, including accidents suggesting carelessness, disregard of safety rules or other conduct indicating possible violation of the Drug and Alcohol Policy.

Violation of these rules, including: (1) a test indicating being under the influence of alcohol or the presence of unlawfully used drugs in an employee's system; (2) refusal to cooperate with the Company in any test, search or investigation, or failure to execute any paperwork or consent forms necessary for examinations or tests; (3) possession of, distribution of, or consumption of unlawful or abused drugs, unauthorized alcohol, or drug paraphernalia; (4) tampering with or adulterating a test sample; or (5) unlawful conduct on or off duty will result in discipline, including immediate discharge of current employees or disqualification of an applicant

Although the proper use of medication is not prohibited, employees should consult with a Company-designated physician, or the employee's supervisor, when he or she is legitimately taking medication which he or she has reason to believe may affect safety or performance. Any prescription medication brought onto Company or customer property or taken aboard Company vehicles must be retained in its original container labeled with the names of the employee and the prescribing physician. No employee may take another person's medication. The law treats the abuse of prescription medication as unlawful drug use.

If an employee wants to seek help for drug or alcohol problems prior to being caught in violation of the Company's Drug and Alcohol Policy or being asked to undergo a test, he or she may seek information from the Vice President of Human Resources.

DEFINITIONS OF EMPLOYEES

Employees are divided into three groups for the purposes of pay and benefits. The Company's policies apply to all employees.

Part-Time Hourly: A part-time hourly employee is one who is regularly scheduled and works less than forty hours each week. A full-time employee will be reclassified as part-time if they work less than forty hours for six consecutive weeks. This part-time date for such employee will be the Sunday of the week following this six week period of time.

Full-Time Hourly: A full-time hourly employee is one who is regularly scheduled and works forty hours or more each week. A part-time employee shall be reclassified as full-time if they work forty or more hours for twelve consecutive weeks. The full-time date for such employee will be the Sunday of the week following this twelve-week period of time. This provision does not apply to students or others working only for the summer months.

Salaried Employee: A salaried employee is one who is a full time employee and is paid a certain sum of money (a salary) per week.

TRAINING

Redner's values its employees and will provide ongoing information and training as the Company believes is necessary. Redner's is committed to provide our associates with a stable work environment with equal opportunity for personal growth and development. Through company provided training and development programs, associates will be able to reach their full professional potential and job satisfaction. Our commitment is to promote and recruit only the most qualified associates, recognize, and encourage the value of the diversity and knowledge in our workplace. Training opportunities are announced in the Redner's newsletter. If an employee would like training experience, he or she should discuss this interest with their manager, store director or a member of the Human Resources Department.

In addition, employees who move from one position to another are provided with orientation and training.

as needed, so that they are familiar with their new duties.

PROMOTIONS AND TRANSFERS

Redner's knows that our employees are our most valuable asset and are key to the Company's success. We provide excellent opportunities for personal growth as well as job advancement within the Company. We make reasonable efforts to promote from within the organization and often transfer employees from one department or location to another and promote qualified employees to new or vacant positions. If you would like to be considered for a transfer or promotion, you should discuss your interest with your store director or the training department.

Many of our employees are part-time because of the nature of our business. Employees are hired with this understanding, and, in many cases, prefer part-time work. As full-time positions become available, we generally offer these full-time positions to our part-time employees before full-time positions are filled from outside the Company.

Full-time positions are posted on Company bulletin boards and often appear in our newsletter. Part-time employees who want to move to a full-time position should notify their immediate supervisor and the store director. Part-time employees who request a transfer to full-time work will be evaluated on several factors, including but not limited to, skills, abilities, education, service time, attendance, willingness to accept assignments, and dependability.

Please note that Redner's reserves the right to fill positions from outside of the Company when, in its sole discretion, it is in its best interest to do so. All transfers and promotions must be approved by the Human Resources Department.

HIRING OF RELATIVES

The employment of family members at different stores is permitted. Within the same store, employment of family members, which includes husband, wife, sons, daughters, brothers, and sisters, is permitted under certain circumstances. Such family members must either work in different departments or on different shifts. We do not allow one family member to supervise another.

BENEFITS

YOUR BENEFITS IN GENERAL

Redner's hopes its employees consider their work a career rather than a job. For this reason, the Company has established plans to help its employees build their own future.

Here are some of Redner's benefit plans for which you may become eligible. They represent, in part, Redner's program to help you save for the future, to help tide you over in case of sickness or disability, to furnish life insurance at a reasonable cost, and to provide income following retirement. Employee benefits include:

- Employee Stock Ownership Plan (ESOP)
- 401(k) Retirement Plan
- Education Assistance Plan
- Health Insurance
- Life & Accidental Death Insurance
- Short-Term Disability
- Long-Term Disability

Information is available by contacting the Human Resources Department.

PAYDAY AND PAYCHECKS

Redner's policy is to pay wages commensurate with those prevailing in the community for similar work under similar conditions. Each employee is assigned a job classification for which a range of pay rates has been established. Pay rates are reviewed and may be adjusted at the time of an employee's performance review or if an employee is assigned to another job.

Paychecks for employees are issued every Thursday.

Changes regarding your withholding tax, benefits, or any other payroll deductions should be made by completing the proper forms and forwarding the completed form to the Human Resources Department.

LUNCH AND REST PERIODS

Paid rest periods are for the well-being and enjoyment of employees. Scheduled rest periods are 15 minutes. Employees are entitled to one rest period if they work 3 1/2 to 7 hours, and a second rest period for work of more than 7 hours. Breaks are scheduled by department managers with the least interference with store operations or service to customers. All employees must take rest periods when scheduled and punch in and out.

Employees who are scheduled to work 6 or more hours a day must take a lunch period near the middle of this shift. The lunch period is either a half hour or an hour, depending on the employee's schedule. This lunch /meal break is not paid.

Any employee under age eighteen and working more than 4 1/2 hours must be scheduled for a half hour lunch break.

IMPROPER DEDUCTIONS FROM EXEMPT EMPLOYEES' SALARIES

The Fair Labor Standards Act (FLSA) is a federal law which requires that most employees in the United States be paid at least the federal minimum wage for all hours worked and overtime pay at time and one-half the regular rate of pay for all hours worked over 40 hours in a workweek. Some state laws provide rights in addition to those provided by the FLSA.

The FLSA provides an exemption from both minimum wage and overtime pay for employees employed as bona fide executive, administrative, professional, outside sales employees, and certain computer employees. Job titles do not determine exempt status. In order for an exemption to apply, an employee's specific job duties and salary must meet all the requirements of the Department of Labor's regulations.

Salary Basis Requirement

To qualify for exemption, employees generally must be paid at not less than \$455 per week on a salary basis. These salary requirements do not apply to outside sales employees, teachers, and employees practicing law or medicine. Exempt computer employees may be paid at least \$455 on a salary basis or on an hourly basis at a rate not less than \$27.63 an hour. Being paid on a "salary basis" means an employee regularly receives a predetermined amount of compensation each pay period on a weekly, or less frequent, basis. The predetermined amount cannot be reduced because of variations in the quality or quantity of the employee's work. Subject to certain exceptions, the FLSA states that an exempt employee must receive the full salary for any workweek in which the employee performs any work, regardless of the number of days or hours worked. Exempt employees do not need to be paid for any workweek in which they perform no work. If the employer makes deductions from an employee's predetermined salary, i.e., because of the operating requirements of the business, that employee is not paid on a "salary basis." If

the employee is ready, willing and able to work, deductions may not be made for time when work is not available.

Circumstances In Which the Employer May Make Deductions from Pay

Under federal and state law, exempt employees' salaries are subject to certain deductions. Exempt salaried employees should contact Human Resources for additional information on when deductions may be made from their pay.

Company Policy

Redner's is committed to avoiding improper deductions and will act promptly to remedy any situation in which such a deduction may have been made by reimbursing the employee for any such improper deduction not later than the first payday upon which the reimbursement reasonably may be made following a timely final determination that the deduction was improper.

Any employee who believes that a deduction from salary is improper should discuss the matter with his or her immediate supervisor or Human Resources. Upon receiving a complaint of an improper deduction, supervisors will immediately inform Human Resources. Human Resources will promptly make an initial determination as to whether the deduction is proper, including a written explanation if it is found that the deduction was proper. The employee should ordinarily initiate this inquiry within 48 hours after being paid or being notified of the deduction unless special circumstances justify later action. If the employee is not satisfied with that decision, the employee may file a written appeal within 48 hours of the determination to Vice President of Human Resources, which states the basis for disagreeing with the decision. The appeal shall be promptly considered with a final decision issued within five (5) business days whenever possible. Any final decision may be appealed in accordance with state or federal requirements as applicable.

If any deduction was found to have been made improperly, Redner's shall make a sincere and good faith effort to avoid any such improper deductions in the future for the employee and any similarly situated employees.

ERROR IN PAY

Every precaution is taken to avoid errors in your paycheck. If an error does occur, advise your store director or immediate supervisor, who will obtain the correct information for you. If an error is found, every reasonable effort will be made to make the adjustment on the next payday.

OVERTIME

The Company may periodically schedule overtime work or weekend work to meet our business needs. We will attempt to give employees advance notice, if possible. We expect that all employees who are scheduled to work overtime or who are called out to work on a special project will be at work unless specifically excused by their supervisor. Failure to report for scheduled overtime work may result in discipline, up to and including immediate termination.

Overtime Hours: All hours worked in excess of forty (40) hours in a workweek are overtime hours. For purposes of calculating overtime hours, only actual hours of work will be counted. Paid time off is not counted as hours worked for purposes of calculating overtime hours.

Overtime Compensation: Overtime compensation varies depending on the employee's pay plan, job duties, DOT status, and other regulatory factors. For example, our salaried-exempt employees normally do not receive extra pay for overtime hours. Likewise, certain other employees are exempt from overtime premium pay, so we pay those employees straight-time pay for overtime hours. Our hourly non-exempt employees receive straight-time pay plus half-time pay (the time-and-one-half rate) for overtime hours.

In any event, all overtime work performed by such employees will be paid properly.

All employees (other than salaried-exempt employees) must receive approval from their supervisor prior to performing overtime work or they may be subject to disciplinary action up to and including immediate termination.

PREMIUM PAY

Hourly employees with a hire date on or after June 1, 1997 will receive premium pay for hours worked on Sunday and designated holidays. Hourly employees with a last hire date prior to June 1, 1997 will continue to be paid time and one-half on Sundays and designated holidays.

AWARDS AND BONUSES

Inventory Improvement Bonus

If, after year-end inventories, the total Company shows a shrink lower than the budgeted amount, a special cash bonus may be available to eligible employees of supermarkets which had an acceptable shrink. Pharmacy managers are excluded from this bonus program.

Service Awards

Our service award program was established to recognize our employees who have extended years of service time. Service awards are given after 5 years of continuous service and in 5 year increments thereafter. Each eligible employee is provided with a brochure from which they can select their award. Service awards and certificates are presented at the annual service award function.

Employee of the Month Program

This program was established to recognize hourly employees who have exhibited exemplary job performance. One employee from each supermarket, the convenience stores, the warehouse, driver, maintenance, and the main office is selected by the management team of each area as the Employee of the Month.

All hourly employees with a minimum of 90 days of continuous service are eligible to receive this award. Employees are nominated by other hourly employees or by a member of management placing a completed nomination form in a ballot box available at each facility. Nominations are reviewed by each area's management team and a winner is selected.

The Employee of the Month receives a certificate, a \$30.00 gift card, and has their picture posted in their location. Each monthly winner then becomes a candidate for Employee of the Year.

Employee of the Year Program

This award is presented each October. The management team of each supermarket, the convenience stores, the warehouse, the maintenance, and the main office reviews their Employees of the Month from the prior year and from that group selects one Employee of the Year.

The Employee of the Year receives a certificate, a \$50.00 gift card, and has their picture posted in their work location. These employees participate in the raffle to win a Company trip.

The Earl & Mary and Gary W. Redner Scholarships for Higher Education

The scholarships are named to honor Earl and Mary Redner, co-founders of Redner's Markets, and the late Gary W. Redner. The Earl and Mary Redner scholarship fund was created in 1997 and the Gary W.

Redner scholarship fund was created in 2008, each to honor their contributions to the food industry and to the employees of Redner's Markets. There will be a total of six scholarships awarded. Three scholarships will be awarded in the name of Earl and Mary Redner and three in the name of Gary W. Redner. Applicants should complete only one application. This application will be considered for both scholarships.

You are eligible to apply for a Redner scholarship if you have one year of continuous service with Redner's Markets, Inc. as of January 1st of the year the scholarship would begin and have averaged 15 hours or more per week within the prior year. Children or step-children of a qualified employee are also eligible to apply, however; each qualified employee and/or a child is only eligible to win twice. A scholarship applicant must be a full-time or graduate student in the fall of the academic year in which the scholarship begins.

The Berks County Community Foundation administers the scholarship fund. Details about this program are posted in all stores in the late fall of each year. For more information, you may ask your store director or contact a member of the Human Resources Department.

EMPLOYEE PURCHASES / FOOD HANDLING

All employee purchases must be rung at the established price, paid, and immediately removed from the store upon being recorded. Employees cannot assemble purchases for recording at a later date or time.

All food consumed within the store and any reading material must be purchased and paid for before consumption or reading. A "paid" sticker must be affixed to the item and the register tape must be approved and signed by a qualified supervisor and must be retained and in the possession of the purchaser at the time of consumption or reading.

All purchases made during scheduled breaks or lunches should be done only after the employee has punched the time clock accordingly.

Employees are not permitted to ring up their own purchases through the register.

Employees are not permitted to record the purchases of any relative or persons residing in the same household.

Employees may not discard, consume, or otherwise use damaged or spoiled product or merchandise without the approval of the store director or designate.

Employees may not request, sell, or purchase any merchandise below the established retail price.

Concealment of any merchandise without purchase will be considered a violation of this policy and may result in discipline up to and including termination.

Management reserves the right to inspect packages taken from the store by all employees.

Violation of any of the above will result in disciplinary action up to and including termination.

SAMPLING AND GRAZING AND PRODUCT HANDLING POLICY

• Part of good customer service is helping our customers understand the great products that we offer for sale in our perishable departments this includes Meat, Deli, Bakery, Produce, Salad bar, coffee bar, fountain soft drink machines among others...

• There are no better sales people for Redner's Markets than our own employees. One of the best ways

for you to be able to confirm the quality of our product is to sample the products yourself.

- We have outlined the appropriate ways to sample and taste product so you can best talk to our customers about the product we sell.
- We have also outlined procedures for product handling that will give each associate a strong understanding of our policies.
- Following the guidelines below will ensure that you are not violating our Purchase Policy: "Merchandise is not to be used, consumed or removed until it is paid for in full."

ASSOCIATE SAMPLING

- A "Sample" is a portioned off piece of an actual product (sliced apple, sectioned donut, etc.) sampled by associates to gain knowledge of the product to assist with the sales of that product.
- Sampling only occurs with approval and in the presence of your Department Manager, Store Director, Assistant Director or regional supervisor.
- When a department receives a new product the Department Manager should make sure that each associate in his/her department has a chance to sample the product under supervision (as described above).
- It is important for our produce associates to know the current status of fresh product. When we receive fruit or sometimes even vegetables such as tomatoes that can be sampled it makes sense for the product manager to have his/her associates taste the product so that they can recommend it to our customer.
- Sampling occurs on the sales floor, break room or other meeting areas, and does not occur behind any sales floor service counter. (The current Food Code prohibits any eating or drinking in food prep areas).
- Associates must not consume samples that are placed on the service counters or "Tastestation stands" around the store, unless the associate is off the clock and actually shopping in the store.

CUSTOMER SAMPLING

- A "Sample" is a portioned off piece of an actual product (sliced apple, sectioned donut, etc.) tried by customers (a person or associate shopping, ready to make purchase, not on company time) to gain knowledge of a product they might buy.
- Product must be kept at the proper temperature.
- Signage (product identification, price, location in the store) is essential to sell this item.

OUTDATED OR DISCARDED PRODUCT

- Perishable outdated product must be recorded and properly disposed of right away. Product must not be given / sold to associates or customers at any time. (Exception may be in areas where the food bank has been authorized)
- Non-Perishable outdated product must be properly recorded in accordance with the company established receiving policies, or given to vendor for proper credit or discarded as per company policy. Product must not be given / sold to associate or customer at any time.

DAMAGED PRODUCT

- Damaged product must be put into designated area for proper handling.

- Damaged product must not be reduced for sale to associates at any time.

GRAZING

• Associates are not allowed to consume any product from any department regardless of the amount or size. This is in contrast to the sampling policy this would occur without authorization or proper authority to consume a product. If you haven't paid for it and it is not an authorized sample don't consume it. Violating the Grazing policy is subject to discipline up to and including termination. Incidents that involve grazing will be referred to the Human Resource Department. Discretion as to the severity and intent will be evaluated to determine appropriate discipline.

EMPLOYEE PURCHASE

- Violations of the employee purchase policy are outlined above in this handbook. In brief are described as removing product from the shelf and either leaving the store with the product and not paying for it, or consuming the product without paying for it.
- Others are intentionally altering the price or weight of a product so as to reduce the cost for purchase. Employees are prohibited from preparing and pricing or ringing their own personal orders unless at the self checkouts or otherwise authorized.
- Examples would be; A) Removing a frozen dinner from the case and taking it to the lunch room and heating it and consuming. B) An individual prepares freshly cooked chicken for their lunch and prices a 5 piece order as 3, thus reducing the price. These are serious policy violations that will subject employees to termination.

SERVICE TIME

A company's strength can be measured by the number of years that employees remain with the company. Our Company is proud of the service record of its employees. Redner's is one of the strongest growing companies in the area because of the job knowledge that the employees have accumulated through the years.

Service time is defined as priority in continued employment because of the length of service an employee has with the Company. Your service time ensures you work, provided that work is available. Service time accumulates from the first day worked and is recognized once 90 days of employment have been completed.

Your service time is important to you because it represents an investment of time, money and facilities by the Company in your training and experience. Promotion possibilities may be provided as your experience increases. Your service time also qualifies you for important benefit plans based on length of employment.

If you serve in the U.S. Armed Forces or if you are transferred or promoted to another position, your service continues without interruption. Service time is lost if you:

- Quit
- Are terminated
- Fail to report for work after a leave of absence
- Are a student working only during vacations and holiday periods

WORK RELATED INJURIES OR ILLNESSES

All employees are protected while on the job by workers' compensation insurance. This insurance will provide coverage for you if you sustain a work-related injury or personal illness.

Any employee who sustains a work-related injury or illness, no matter how slight, must immediately notify the store director, or in the absence of the store director, the person in charge. An injury report must be filled out at that time.

If an employee is unable to complete the shift on the day the injury occurs, the employee will be paid for the rest of their scheduled hours.

Any Pennsylvania employee who requires medical attention for a work-related illness or injury is required to consult with a Company designated physician and/or medical facilities for diagnosis and treatment. Delaware and Maryland employees must consult with a State certified workers compensation provider. This consultation must occur as soon as practical and prior to the payment of any medical bills or workers' compensation benefits. Should the injury or illness require the employee to seek a medical consultation, the consultation may include a drug and alcohol screening test, if the company has reasonable suspicion that the employee was under the influence of drugs or alcohol at the time of the occurrence of the work injury.

When a Company authorized physician restricts an employee's capabilities, a reasonable attempt will be made to place the employee in a position which accommodates the restrictions. The employee's pay rate, average scheduled hours, and work schedule will be maintained as it was prior to the injury. The Company will recognize this as "light duty." The purpose of this program is to help our employees with work related injuries to maintain their standard of living.

If any employee is unable to return to work due to a work-related injury, regular contact must be maintained with the Risk Manager. Failure to maintain contact may result in disciplinary action. If eligible, all time off from work due to a work injury will be considered an FMLA leave. All existing FMLA policies will apply. All work injuries must be reported to your supervisor immediately.

VACATIONS

We believe you should take time off to rest and relax and therefore have set the accrual rate at a level to encourage time off. Accrued vacation time must be taken in each anniversary year. All employees earned vacation in the year previous to that in which it is taken. Because of the nature of the business, all vacations during holiday weeks must be requested and approved at least a month in advance.

Accrual of Vacation - Full-Time Employees

- After one full year of continuous service, all full-time employees accrue 40 hours of paid vacation at the then hourly rate.
- After two years of continuous service, all full time employees accrue 80 hours vacation paid at the then hourly rate.
- After eight full years of continuous service, all full time employees accrue 120 hours at the then hourly rate.
- After fifteen years of continuous service all full time employees accrue 160 hours vacation paid at the then hourly rate.

Exempt (Salaried) Employee's Accrue vacation weeks at the same intervals as full time employees, each based on their salary category; there are 3 categories 45 hour, 47 hour and 50 hour.

Accrual of Vacation – Part-Time Employees

- After two years of continuous employment, all part-time employees accrue paid vacation equal to one average week's hours at the then hourly pay rate. The number of vacation hours is based on the average hours worked during the prior year, up to 40 hours. For example, a part-time employee who worked an average of 32 hours in the prior year would receive 32 hours of paid vacation at the then hourly rate.
- After four years of continuous service, all part-time employees accrue paid vacation equal to two average weeks' hours at the then hourly pay rate. The number of vacation hours is based on the average hours worked during the prior year, up to 40, which is then doubled. For example, a part-time employee who worked an average of 32 hours in the prior year would receive 64 hours of paid vacation at the then hourly rate.

Requesting and Using Vacation Leave

- Employees must take time off from work to receive vacation pay.
- Vacation cannot carry over from year to year, but must be taken in the vacation period following the in which earned. Any deviation this policy must be approved in advance by the Vice President of Human Resources.

A request for time off in excess of one week more than earned vacation time must be approved by the V.P. of Human Resources.

HOLIDAYS

After successful completion of ninety (90) days of continuous full-time service, full-time employees enjoy six (6) paid holidays whenever the holiday falls on a regular workday:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day

If the eligible employee works the day of the holiday, the employee will receive eight (8) hours of holiday pay, and will be paid for hours worked on the holiday. Holiday pay will not be calculated as time worked for payment of overtime.

All part-time employees with two (2) years of continuous service and 1,000 hours worked in each year, are eligible for four (4) hours of holiday pay.

In order to be eligible for holiday pay, the employee must work the scheduled day before and the scheduled day after the holiday unless the absence is authorized in advance.

If a holiday falls in a week in which you have scheduled a vacation, you will be entitled to an additional day of vacation scheduled at a time convenient for you and the Company.

An employee who a leave of absence during the holiday week is not entitled to holiday pay.

Arrangements for time off for religious holidays may occur with prior PERSONAL DAYS

All full-time employees, after six (6) months of continuous full-time employment, are eligible for three (3) personal days per year which must be taken during their full-time anniversary year.

All part-time employees with one (1) year of continuous service and 1,000 hours worked in the previous year are eligible for three (3) personal days of four hours each. Personal days must be taken in the year the personal days are earned.

- Personal days cannot be scheduled during a holiday week.
- An employee must request a personal day off two weeks in advance for approval from their store director, unless an emergency arises.
- Unused personal days will be paid out after the employee's vacation anniversary date at the then hourly rate of pay.
- Unused personal days are not payable upon termination of employment.

FAMILY AND MEDICAL LEAVE

The Family and Medical Leave Act ("FMLA") provides eligible employees the opportunity to take unpaid, job-protected leave for certain specified reasons. The maximum amount of leave an employee may use is either 12 or 26 weeks within a 12-month period depending on the reasons for the leave.

Employee Eligibility

To be eligible for FMLA leave, you must:

1. Have worked at least 12 months for the Company in the preceding seven years (limited exceptions apply to the seven-year requirement);
 2. Have worked at least 1,250 hours for the Company over the preceding 12 months; and
 3. Currently work at a location where there are at least 50 employees within 75 miles.
- All periods of absence from work due to or necessitated by service in the uniformed services are counted in determining FMLA eligibility.

Conditions Triggering Leave

FMLA leave may be taken for the following reasons:

1. Birth of a child, or to care for a newly-born child (up to 12 weeks);
2. Placement of a child with the employee for adoption or foster care (up to 12 weeks);
3. To care for an immediate family member (employee's spouse, child, or parent) with a serious health

condition (up to 12 weeks);

4. Because of the employee's serious health condition that makes the employee unable to perform the employee's job (up to 12 weeks);

5. To care for a Covered Service member with a serious injury or illness related to certain types of military service (up to 26 weeks) (see Military-Related FMLA Leave for more details); or,

6. To handle certain qualifying exigencies arising out of the fact that the employee's spouse, son, daughter, or parent is on covered active duty or call to covered activity duty status in the Uniformed Services (up to 12 weeks) (see Military-Related FMLA Leave for more details).

The maximum amount of leave that may be taken in a 12-month period for all reasons combined is 12 weeks, with one exception. For leave to care for a Covered Service member, the maximum combined leave entitlement is 26 weeks, with leaves for all other reasons constituting no more than 12 of those 26 weeks.

Definitions

A "Serious Health Condition" is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement includes an incapacity of more than three full calendar days and two visits to a health care provider or one visit to a health care provider and a continuing regimen of care; an incapacity caused by pregnancy or prenatal visits, a chronic condition, or permanent or long-term conditions; or absences due to multiple treatments. Other situations may meet the definition of continuing treatment.

Identifying the 12-Month Period

The Company measures the 12-month period in which leave is taken by the "rolling" 12-month method, measured backward from the date of any FMLA leave with one exception. For leave to care for a covered service member, the Company calculates the 12-month period beginning on the first day the eligible employee takes FMLA leave to care for a covered service member and ends 12 months after that date. FMLA leave for the birth or placement of a child for adoption or foster care must be concluded within 12 months of the birth or placement.

Using Leave

Eligible employees may take FMLA leave in a single block of time, intermittently (in separate blocks of time), or by reducing the normal work schedule when medically necessary for the serious health condition of the employee or immediate family member, or in the case of a covered service member, his or her injury or illness. Eligible employees may also take intermittent or reduced-scheduled leave for military qualifying exigencies. Intermittent leave is not permitted for birth of a child, to care for a newly-born child, or for placement of a child for adoption or foster care. Employees who require intermittent or reduced-schedule leave must try to schedule their leave so that it will not unduly disrupt the Company's operations.